

Delaney Karsten Rogers, Colo. Morse Riehman Talcott
Dent Karth Rogers, Fla. Murray Nelsen Roberts, Tex. Teague, Calif.
Denton Kastenmeier Rooney Roosevelt Norblad Rogers, Tex. Tollefson
Diggs Kee Rosenthal Nygaard Osmers Rumsfeld Tuck
Dingell Keogh Rostenkowski Roosevelt Ostertag St. George Utt
Donohue King, Calif. Roush Roybal Passman Schadeberg Van Pelt
Dulski Klucynski Klucynski Ryan, Mich. Ryan, N.Y. Pelly Schenck Waggoner
Duncan Kirwan Landrum St. Germain Pike Schneebeli Watson
Edmondson Klucynski Long, La. Lankford Long, Md. Leggett St. Onge Plicher Schweikert Weaver
Edwards Landrum Long, La. Lankford Lesinski Saylor Pirnie Selden Westland
Elliott Lankford Long, Md. Leggett Libonati Secret Poage Short Wharton
Everett Long, Md. Lankford Lesinski Sennet Poff Shriver Whitten
Evins Long, Md. Lankford Libonati Sisk Pool Sibal Widnall
Fallon Long, Md. Lankford Libonati Slack Purcell Skubitz Williams
Farbstein Long, Md. Lankford Libonati Sheppard Sickles Quile Smith, Calif. Wilson, Bob
Fascell Long, Md. Lankford Libonati Staggers Sikes Quillen Smith, Va. Wilson, Ind.
Feighan McDade Long, Md. Lankford Libonati Steed Stephens Reid, Ill. Snyder Winstead
Finnegan McDowell Long, Md. Lankford Libonati Steed Stephens Reid, Ill. Snyder Winstead
Fino McDowell Long, Md. Lankford Libonati Steed Stephens Reid, Ill. Snyder Winstead
Flood McDowell Long, Md. Lankford Libonati Steed Stephens Reid, Ill. Snyder Winstead
Fogarty Macdonald Long, Md. Lankford Libonati Steed Stephens Reid, Ill. Snyder Winstead
Fraser Madden Long, Md. Lankford Libonati Steed Stephens Reid, Ill. Snyder Winstead
Friedel Miller, Calif. Long, Md. Lankford Libonati Steed Stephens Reid, Ill. Snyder Winstead
Fulton, Pa. Mills Miller, Calif. Long, Md. Lankford Libonati Steed Stephens Reid, Ill. Snyder Winstead
Fulton, Tenn. Mills Miller, Calif. Long, Md. Lankford Libonati Steed Stephens Reid, Ill. Snyder Winstead
Gallagher Minish Monagan Steed Stephens Reid, Ill. Snyder Winstead
Garmatz Montoya Moorhead Morgan Morris Morrison
Giamo Morgan Morris Morrison
Gilbert Morgan Morris Morrison
Gill Morrison Morton Thomas Sullivan Taylor
Glenn Morrison Moss Thompson, La. Thompson, N.J. Thompson, Tex. Thompson, Tex.
Gonzalez Morton Thomas Sullivan Taylor
Grabowski Moss Thompson, La. Thompson, N.J. Thompson, Tex. Thompson, Tex.
Gray Multer Thompson, La. Thompson, N.J. Thompson, Tex. Thompson, Tex.
Green, Oreg. Murphy, Ill. Thompson, La. Thompson, N.J. Thompson, Tex. Thompson, Tex.
Green, Pa. Murphy, Ill. Thompson, La. Thompson, N.J. Thompson, Tex. Thompson, Tex.
Griffiths Natcher Nedzi Nix O'Brien, N.Y. O'Brien, N.Y. O'Hara, Ill. O'Hara, Mich.
Hagan, Ga. Nix O'Brien, N.Y. O'Brien, N.Y. O'Hara, Ill. O'Hara, Mich.
Hagan, Calif. Nix O'Brien, N.Y. O'Brien, N.Y. O'Hara, Ill. O'Hara, Mich.
Halpern O'Brien, N.Y. O'Brien, N.Y. O'Hara, Ill. O'Hara, Mich.
Hanna O'Brien, N.Y. O'Brien, N.Y. O'Hara, Ill. O'Hara, Mich.
Hansen Olsen, Mont. Olsen, Minn. Olsen, Minn. Olsen, Mont.
Harding Olson, Minn. O'Neill Patman Patten
Harris O'Neill Patman Patten
Harsha O'Neill Patman Patten
Hawkins O'Neill Patman Patten
Hays O'Neill Patman Patten
Healey O'Neill Patman Patten
Hechler O'Neill Patman Patten
Hempill O'Neill Patman Patten
Henderson Pucinski Rains Randal
Holifield Rains Randal
Holland Randsall Reuss Wright
Ichord Rhodes, Pa. Rhodes, Pa. Young Zablocki
Joelson Johnson, Calif. Rivers, Alaska Roberts, Ala.
Johnson, Wis. Jones, Ala. Rodino

NAYS—209

Abbitt Colmer Hoffman
Abele Cooley Horan
Abernethy Cramer Horton
Adair Cunningham Hosmer
Alger Curtin Huddleston
Anderson Davis, Ga. Hull
Andrews Dague Hutchinson
Arends Davis, Ga. Jarman
Ashbrook Deroulian Jennings
Ashmore Devine Jensen
Auchincloss Devine Johansen
Avery Dole Jonas
Baldwin Dorn Jones, Mo.
Barry Dowdy Keith
Bates Downing Kilburn
Battin Dwyer Kilgore
Becker Ellsworth King, N.Y.
Beermann Findley Knox
Belcher Fisher Kornegay
Bell Flynt Kunkel
Bennett, Fla. Ford Kyl
Berry Foreman Laird
Batts Fountain Langen
Bolton, Frances P. Frelighuysen Latta
Bolton, Oliver P. Fuqua Lennon
Bow Gathings Lindsay
Brock Gavin Lipscomb
Bromwell Gibbons Lloyd
Broomfield Goodell McClory
Brotzman Goodling McCulloch
Broyhill, N.C. Grant McIntire
Broyhill, Va. Griffin McLoskey
Bruce Gross McMillan
Burleson Grover MacGregor
Burton Gubser Mahon
Byrnes, Wis. Gurney Malliard
Cahill Haley Marsh
Cannon Hall Martin, Calif.
Casey Halleck Martin, Nebr.
Cederberg Hardy Matthias
Chamberlain Harrison May
Chenoweth Harvey, Ind. Harvey, Mich. Meader
Clancy Hébert Milliken Michel
Clausen Herlong Minshall
Cleveland Hoeven Moore

Morse Riehman Talcott
Murray Nelsen Roberts, Tex. Teague, Calif.
Nelsen Norblad Rogers, Tex. Tollefson
Nygaard Osmers Rumsfeld Tuck
Ostertag St. George Utt
Passman Schadeberg Van Pelt
Pelly Schenck Waggoner
Pike Schneebeli Watson
Plicher Schweikert Weaver
Pillion Schwengel Westland
Pirnie Selden Wharton
Poage Short Whitten
Poff Shriver Whitten
Pool Sibal Widnall
Purcell Skubitz Williams
Quile Smith, Calif. Wilson, Bob
Quillen Smith, Va. Wilson, Ind.
Reid, Ill. Snyder Winstead
Reid, N.Y. Springer Wydler
Reifel Stafford Stinson Younger
Rhodes, Ariz. Rich Taft

ANSWERED "PRESENT"—1

O'Konski

NOT VOTING—18

Ayres Forrester Powell
Baring Martin, Mass. Rivers, S.C.
Brown, Ohio Miller, N.Y. Scott
Collier Mosher Shipley
Conte Murphy, N.Y. Wallhauser
Davis, Tenn. O'Brien, Ill. Wyman

So the bill was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. O'Konski for, with Mr. Brown of Ohio against.

Mr. Murphy of New York for, with Mr. Davis of Tennessee against.

Mr. O'Brien of Illinois for, with Mr. Collier against.

Mr. Shipley for, with Mr. Wallhauser against.

Mr. Powell for, with Mr. Conte against.

Until further notice:

Mr. Baring with Mr. Wyman.

Mr. Forrester with Mr. Mosher.

Mr. Rivers of South Carolina with Mr. Miller of New York.

Mr. Scott with Mr. Martin of Massachusetts.

Mr. STEED changed his vote from "nay" to "yea."

Mr. BURTON changed his vote from "yea" to "nay."

Mr. O'KONSKI. Mr. Speaker, I have a live pair with the gentleman from Ohio [Mr. Brown] who is in the hospital. If he were present he would have voted "nay." I voted "yea." Therefore, I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members speaking on the bill today have permission to revise and extend their remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that those Members who did not speak on the bill have permission to extend their remarks in the RECORD on the area redevelopment amendments.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

GRASSROOTS OPINION ON CUBA

(Mr. DEROUNIAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter not to exceed one page.)

Mr. DEROUNIAN. Mr. Speaker, I am pleased to include herewith an editorial from one of my district's outstanding weekly newspapers, the Manhasset Mall, as it appeared in the issue of June 6, 1963.

There is no doubt that not only the people in my congressional district but the overwhelming majority of the American people resent the status quo on Cuba and realize the Communist danger far more than does the President of the United States:

GRASSROOTS OPINION ON CUBA

When Congressman STEVEN DEROUNIAN told a Memorial Day audience that America was in grave danger because of the Soviet buildup in Cuba, he wasn't making a political speech, for his warning was based on the alarming reports of the Preparedness Investigating Subcommittee, headed by Senator JOHN STENNIS, of Mississippi, and staffed by a bipartisan group of Senators including STUART SYMINGTON, Missouri; HENRY M. JACKSON, Washington; STROM THURMOND, South Carolina; LEVERETT SALTONSTALL, Massachusetts; MARGARET CHASE SMITH, Maine; and BARRY GOLDWATER, of Arizona.

We do not have space here to quote the 34-page report in full, but after having read the report, we are in full agreement with Congressman DEROUNIAN that America is in great danger. Not only are we in great danger now, but the danger will grow greater as time goes on and as long as Soviet soldiers and weapons remain in Cuba. Before you read further, look at the map, right, and note the strategic importance of Cuba as it straddles the entrance to the Gulf of Mexico.

How many Russians are in Cuba now? The Stennis report says that some sources, primarily exile and refugee groups, estimate that as many as 40,000 Soviets are now in Cuba. The subcommittee is of the opinion that the official 17,500 estimate is perhaps a minimum figure.

Have all Soviet missiles been withdrawn from Cuba? The report says that refugee and exile reports continue to insist that thousands of caves and underground caverns in Cuba are being utilized to store and conceal strategic missiles and weapons.

Note the reference to "refugee and exile reports."

The failure of American intelligence to conclude that strategic missiles had been introduced into Cuba, prior to the receipt of photographic evidence on October 14, says the report, "was due to the fact that the intelligence analysts were strongly influenced by their judgment as to Soviet policy, and indications that strategic missiles were being installed were not given proper weight by the intelligence community."

Then the report continues: "A contributing factor to this was the tendency on the part of the intelligence people to discredit and downgrade the reports of Cuban refugees and exiles."

Today, Cuban exiles and refugees insist that Cuba is reinforcing caverns, storing weapons in them, and that the Soviets are building a large submarine base in Cuba. There are also reports that Soviet ships are unloading cargo and men at night under conditions of Soviet-imposed security. Further, the Stennis report says "the intelligence community does not believe it has sufficient

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concrete evidence to estimate any reduction in overall Soviet military capability on the island. There is no evidence that any of the combat troops associated with the four armored groups have been withdrawn."

Far more significant than any comment which we can make is the summary of the subcommittee's report, which follows:

1. Cuba is an advanced Soviet base for subversive, revolutionary and agitational activities in the Western Hemisphere and affords the opportunity to export agents, funds, arms, ammunition, and propaganda throughout Latin America.

2. Assuming without deciding that all strategic weapons have been withdrawn, there is the ever-present possibility of the stealthy reintroduction of strategic missiles and other offensive weapons, using the Soviet forces still in Cuba as camouflage and security for the activity.

3. Cuba serves as an advance intelligence base for the U.S.S.R.

4. The potential exists to establish electronic warfare capabilities based on Cuba.

5. The vital Panama Canal could be the target for sneak raids originating from Cuba.

6. Potentially, Cuba is a base from which the Soviets could interdict our vital air and sea lanes. It can now be used for the air, sea, and electronic surveillance of our military activities in the Southeast United States and the Caribbean.

7. Cuba's airfields could serve as recovery air bases for planes launched against the United States from the Soviet Union.

8. Advanced Soviet submarine bases could be established in Cuban ports with very little effort.

9. The continued presence of the Soviets in Cuba could require a further reorientation of the U.S. air defenses.

10. Cuba provides a base for the training of agents from other Latin American countries in subversive, revolutionary, agitational, and sabotage techniques.

11. The very presence of the Soviets in Cuba affects adversely our Nation's image and prestige. Our friends abroad will understandably doubt our ability to meet and defeat the forces of communism thousands of miles across the ocean if we prove unable to cope with the Communist threat at our very doorstep.

"A consideration of all these matters serves to emphasize the gravity of the threat to our national security which Cuba now represents," the report concludes.

The Soviets are in Cuba to stay, and the chance for internal revolt and the overthrow of the Communist regime is virtually nil, according to those who should know. Had the Bay of Pigs invasion been carried out with sufficient force and air power, the threat of Cuba to our security might not exist today; but exist it does, and it will not go away by wishing it away. The Cuban people are not going to overthrow their Communist regime for the simple reason that they are virtually powerless to do so. Therefore, some other action is necessary.

What is to be done?

We hold that the only way to get rid of Castro and communism in Cuba is to throw them out. We are not qualified to say how this can be accomplished, but it has to be done and done soon, or we will find ourselves embroiled in another full-scale war. Should we take action against Cuba, Khrushchev may fight right now, to the last Cuban, but it is doubtful that he will make war on the United States until he thinks he can win; and if his buildup in Cuba and South America is permitted to continue unchecked, then he will be in a strong position, and our position will be vulnerable. The Soviet will make war on us as soon as they are sure they can win. We cannot and must not give them that opportunity.

The time for action is now. The Soviets should be given a time limit to get their

men and weapons out of Cuba; a real blockade, with teeth in it, should be set up, and every possible economic sanction should be imposed upon Cuba.

Threats mean nothing to the Soviets. They fear and respect strength and power. We've got both. Let's use them before it's too late.

REGULATED INVESTMENT COMPANIES

(Mr. KEOGH asked and was given permission to extend his remarks at this point in the Record.)

Mr. KEOGH. Mr. Speaker, this memorandum is submitted in support of a bill I introduced today—H.R. 6995—an amendment to subchapter M of the code, so as to permit regulated investment companies 45 days, instead of 30 days, after the close of their taxable years to mail to their stockholders the various designations required under subchapter M. The request is prompted by the Securities and Exchange Commission's recent change in its rules to grant these companies 45 days, instead of 30 as previously, for mailing to shareholders their annual reports and financial statements.

Regulated investment companies serve principally to enable investors of moderate means to secure diversification of risk and experienced professional counsel in managing their investments—see Senate Report No. 1021, 86th Congress, 2d session, 1960; House of Representatives Report No. 1080, 86th Congress, 1st session, 1959. A survey conducted by the Investment Company Institute in 1961 and 1962 among the approximately 3 million shareholders of its member companies—the institute's members include 169 regulated investment companies of the open end type, whose assets comprise an estimated 94 percent of the assets of all such companies taxable under subchapter M; it is believed that its members hold over 80 percent of the assets of all regulated investment companies, both open end and closed end, affected by the amendments proposed herein—showed that the median shareholder had a family income of approximately \$8,500, while the value of his mutual fund holdings was about \$5,000.

Subchapter M provides a special system of taxation for regulated investment companies and their shareholders. Its essential feature is that the company must distribute currently at least 90 percent of its ordinary income, exclusive of capital gains. If it does the amounts distributed, as well as any amounts it distributes out of its realized capital gains, may be deducted in computing the company's taxable income. The shareholder in turn is entitled to treat distributions out of realized capital gains as long-term capital gain on his own return.

As part of this system subchapter M requires the company each year to send a series of notices to its shareholders. These designations indicate the pro rata shares of the various items of corporate income and credit the shareholders are to take into account directly, on their own returns, and conclusively establish the amounts of these items for purposes of the shareholders' tax liability. The

code now provides that all of these designations must be mailed within 30 days after the close of the company's taxable year—See sections 852(b)(3)(C), distributed capital gains; 852(b)(3)(D)(i), undistributed capital gains; 853(c), credit for foreign taxes; 854(b)(2), income dividends eligible for credit, exclusion and deduction; 855(c), notice for dividends declared and paid after close of taxable year.

This 30-day time limit for mailing designations was initially adopted in 1942—Revenue Act of 1942, section 170(a). At that time it conformed with the rule the Securities and Exchange Commission had previously adopted, under the Investment Company Act of 1940, requiring a regulated investment company to mail its annual report and financial statements to its shareholders within 30 days after the close of its fiscal year—Rule 30d-1, as adopted in Investment Company Act Release No. 40, effective January 2, 1941, 6 Federal Register 74, 1941. Combining the tax designations and annual reports in a single mailing makes possible obvious savings in mailing expense and paperwork, as well as affording the shareholders the convenience of receiving all of their information at one time. Many regulated investment companies have taken advantage of this possibility; some have even included their income tax designations in the text of their annual reports, as illustrated by the reports attached as exhibits to this memorandum.

Effective December 17, 1962, the SEC has amended its rule 30d-1 to extend to 45 days the time for mailing reports thereunder—Investment Company Act Release No. 3574, 27 Federal Register 11639, 1962. This change was prompted by the Commission's recognition of the desirability of allowing more time for the various companies' independent public accountants to prepare the detailed financial statements which these reports must include, and of the expenses that could be saved if less overtime were required in their preparation and printing.

If the regulated investment companies are to make use of the Commission's extension, and are also to be able to continue the economy and convenience of making their subchapter M designations in or with their annual reports, a corresponding change should be made in the time limits of the code.

Extending the time for mailing subchapter M's notices of designation would in no way inconvenience shareholders in preparing their individual tax returns, nor interfere with the timely filing of such returns. As already noted, the 30-day time limit for designations was first adopted in 1942—Revenue Act of 1942, section 170(a)—at that time individual tax returns were due on March 15 of the following year. Thus for the typical individual who held shares in a regulated investment company on a calendar year, the notice supplying the information he needed for his return reached him on or immediately after January 30, some 45 days before the return's due date. However, since the Internal Revenue Code of 1954, the due date for individuals' tax returns has of course been